



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

August 22, 2013

To: Supervisor Mark Ridley-Thomas, Chairman
Supervisor Gloria Molina
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

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MARK RIDLEY-THOMAS
Second District

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Third District

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Fifth District

DEPARTMENT OF HEALTH SERVICES REQUEST FOR SALARY PLACEMENT AND REIMBURSEMENT OF RELOCATION EXPENSES FOR MR. DAN CASTILLO UPON APPOINTMENT TO THE POSITION OF EXECUTIVE DIRECTOR, HEALTHCARE NETWORK (UNCLASSIFIED)

The Department of Health Services (DHS), with the support of the Chief Executive Officer (CEO), requests approval to appoint Mr. Dan Castillo to the position of Executive Director, Healthcare Network (UC), Item No. 8085, at an annual base salary of \$260,000 with a reimbursement of up to \$25,000 for reasonable actual costs of relocating his family and personal residence to the Los Angeles County area and temporary housing rental costs. Reimbursement will not include travel expenses for commuting purposes. The base salary placement for Mr. Castillo onto Management Appraisal and Performance Plan (MAPP) Tier I Salary Range R20 (the Board approved range for this position) will place Mr. Castillo above the control point of the range. This salary is recommended based on Mr. Castillo's extensive healthcare management experience and the role and responsibilities he will perform as Executive Director over the LAC+USC Medical Center.

As Executive Director, Mr. Castillo will report directly to the Director of Health Services, Mitchell Katz, M.D., and be responsible for directing the administration of health service programs for the various hospitals and units of the LAC+USC Medical Center. More specifically, Mr. Castillo will be responsible for directing the long and short term goals for hospital operations, selecting key administrative staff, directing the hospital's budget preparation and financial management programs, and directing the preparation of reports for authorized regulatory and accrediting agencies for the largest facility in DHS.

"To Enrich Lives Through Effective And Caring Service"

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Mr. Castillo is a senior manager with more than 14 years of progressively responsible experience in the field of health care. Since September of 2012, Mr. Castillo has been working as a principal consultant for Health Management Associates specializing in the fields of health systems restructuring, health care program development, health economics and finance, program evaluation, and data analysis. Prior to his current assignment, Mr. Castillo was the Chief Executive Officer for the Children's Hospital of Orange County's (CHOC) Health Alliance. CHOC is a physician-hospital consortium between CHOC Health Alliance and a pediatric network of over 1,000 primary and specialty physicians accountable for 114,000 Medi-Cal and Health Families children and young adults.

Mr. Castillo has been recognized throughout the State as well as nationally. In 2012, he was lauded by the Insure the Uninsured Project for "exceptional leadership on health reform implementation." In 2010, he was recognized by the California State Association of Counties for creating a "virtually integrated delivery system" as well as nationally by Information Week 500 for leading one of the most innovative local government programs in the areas of "business technology vision, innovation, and execution."

In 1994, Mr. Castillo earned a Bachelor of Science degree in Kinesiology with a Minor in Biology from the University of Southern California (USC). In 2007, Mr. Castillo earned a Master of Health Administration degree from USC with a Dean's Certificate of Merit for Outstanding Master's Graduate Student and Top Honors from the Phi Kappa Phi Honor Society.

In accordance with policy on managerial appointments, unless otherwise instructed by the Board by September 6, 2013, the Chief Executive Office will advise the Department of Health Services that authorization has been granted to approve:

- Mr. Castillo's annual base salary of \$260,000
- **Relocation Expenses.** Mr. Castillo shall be reimbursed for the reasonable, actual cost of relocating his family and personal residence, and for temporary rental housing costs and other expenses to secure a residence. Mr. Castillo shall also be reimbursed for necessary travel expenses, one-way to the Los Angeles area, not to exceed the limits on travel expenses specified in Section 5.40.060 of the County Code. The total of all reimbursed costs incurred shall not exceed \$25,000. All relocation cost reimbursement, on an item-by-item basis, is subject to approval by the Director of Personnel upon timely submission of adequate documentation (as determined by the Director of Personnel) to substantiate the expense. Documentation to substantiate the expenses must be submitted to the Director of Personnel within 30 days of the date upon which Mr. Castillo incurs the applicable expense. Notwithstanding the foregoing, all expenses must be incurred by, and all substantiation documentation must be submitted by, no later

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than February 15 of 2014. Expenses incurred or substantiated after February 15, 2014 will NOT be reimbursed. Upon timely receipt of documents substantiating the incurred covered expenses, reimbursement will be made by no later than March 15 of 2014. The County will report and withhold applicable taxes from such reimbursements as it determines is necessary to comply with applicable tax laws.

If you have any questions, please contact me, or your staff may contact Paul Coyne at (213) 974-8481.

WTF:BC:JA
PC:AP:ra

c: Executive Office, Board of Supervisors
County Counsel
Department of Health Services

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